

EX# 74  
Received  
@ 9/12/24  
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# VII. Economic Development

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SEP 12 2024

## Overview

Land Use Department

Ledyard is a rural/suburban residential community with limited commercial and industrial development within town borders. Existing commercial/industrial development is largely located along Route 12 from the Groton Town line to Gales Ferry Village and in Ledyard Center, with some isolated neighborhood commercial development in the Highlands neighborhood. The lack of sewer and water infrastructure in most of the town is a significant deterrent to the development of more intense commercial/industrial development.

The town's limited commercial/industrial development results in heavy reliance on residential property taxes to fund the increasing demand for services, particularly in education. This, coupled with decreasing levels of state assistance, has had a significant impact on the mill rate and taxes over the last ten years.

In recognition of the need to expand and diversify the town's economic base the town has made the following significant efforts to make economic development a priority:

- The Economic Development Commission was re-activated in 1991,
- In 1998 the town adopted an Economic Strategies Plan prepared by Mullin Associates,
- Municipal water was brought along the Route 12 corridor,
- New regulations for Gales Ferry commercial area were adopted to encourage attractive, well planned commercial development,
- A Tax Abatement Program and guidelines were adopted, and
- A grant for \$490,000 for economic development activities was received from the state through the Small Town Economic Assistance Program (STEAP).

## Goals

- Encourage economic growth and diversification in order to expand the nonresidential tax base, provide new business and employment opportunities, and to improve the services and overall quality of life enjoyed by residents.
- Develop new utility and roadway infrastructure to serve portions of the Town zoned for commercial and/or industrial purposes with a focus on the Gales Ferry Business District and Ledyard Center.
- Continue to revise land use regulations to be pro-business without sacrificing a commitment to environmentally sound development.

- Encourage traditional village development in the LCDD and GFDD.
- Foster the development of vacant or underutilized commercial and industrial zoned land. Utilize a variety of traditional and nontraditional strategies to attract businesses to Ledyard.
- Encourage farm diversification to enable farming to be a viable economic enterprise.

## **Issues Policies and Strategies**

Economic development in Ledyard should continue to improve the financial condition of the community and employment choice for its residents. Over the last decade, the economic climate of Ledyard and the surrounding region has seen significant changes. Following the downsizing of the defense industry in the late 1980's, the region's service economy has grown dramatically due to the development of the Foxwoods and Mohegan Sun Resort and Casinos. With the continued expansions of both casinos, the area has become the third largest in the nation for square footage of gaming space (behind Las Vegas and Atlantic City).

This increase in the service sector, the continued presence of Pfizer, Inc. and the continued prosperity of the Electric Boat Division of General Dynamics have combined to provide the region with a period of extremely low levels of unemployment. However, the shift to a service/tourism economy has also resulted in a decrease in the average salary for workers in the region. According to the United Way ALICE report, 45% of jobs in CT now pay less than 20\$/hour. This income group represents an emerging segment of Ledyard's population that has need of affordable housing and potentially expanded municipal services.

Ledyard must respond to these changing conditions, leverage the positive elements (growth in tourism, large skilled-labor pool, and new job opportunities for engineers and research scientists), and create a pro-business environment in which a variety of new businesses will be welcomed and existing companies will be encouraged to expand. The Town and EDC have a number of ongoing efforts aimed at reducing the tax burden of residential property owners and making the town a more attractive place to open a business by expanding the opportunities and services available to commercial/industrial entrepreneurs.

With a new municipal water supply and increased traffic volumes, the Route 12 highway corridor will attract commercial development. Development that complies with the GFDD standards will be designed to provide safe traffic and pedestrian circulation, architectural and building site aesthetics, and a unified approach to signage.



## **1. Implement Economic Strategies Plan**

Ledyard should continue to implement priority action items contained in the 1998 Economic Strategies Plan prepared for the Town of Ledyard by Mullen Associates. **Recommendations include:**

- Improve the town's infrastructure in targeted areas.
- **Improve commercial/industrial zoning and regulations.**
- **Further develop the existing commercial/industrial areas such as Lorenz and Terra Firma (Soneco).**
- Improve relations with the Mashantucket Pequot Tribal Nation.
- Encourage retail activities.
- Identify and target opportunities in tourism and civic sectors.
- Support appropriate economic development initiatives.

In order for the plan to remain relevant, it must be revised from time to time. It is important to reconcile the plan to clearly reflect changes in the local and regional development climate. Goals and the timetables to complete them must be updated, revised, or removed. Additionally, changes in local infrastructure, demographics, existing local businesses, existing land use regulations, the town's administrative structure, and current economic development efforts need to be reflected in updates to the Economic Strategies Plan.

The Economic Development Commission (EDC) and designated staff bear the responsibility for ensuring that the plan remains current.

## **2. Build New Infrastructure to Stimulate Economic Development**

Commercial and industrial land uses often require water and sewer infrastructure. Ledyard's dependence on septic systems and private wells has contributed to its evolution as a bedroom community. **Although the provision of a new water supply along Route 12 has the potential to bolster economic development in this area, Ledyard will continue to be passed over by many commercial or manufacturing enterprises that require greater infrastructure.**

Elected officials and the EDC should take an active role in encouraging additional infrastructure investment in locations where commercial/industrial development is appropriate and a financial return on taxpayer investment can be demonstrated. Town staff and the EDC should explore alternative funding sources for the construction of infrastructure.

Ledyard Center's Fairway Drive should be completed, extending through the heart of the Design District from Colonel Ledyard Highway to Route 117. This important economic development initiative will provide access to about 60 acres of mostly vacant commercially zoned property.

Property tax revenues from new buildings and businesses will eventually offset construction costs of the road, should tax dollars be utilized for a portion or all of the construction.

A community septic facility or connection to the existing WWTP should be considered and supported in Ledyard Center. This would allow for more creative and denser development in Ledyard Center.

### **3. Support Home-Based Business**

The State of Connecticut and regional groups such as Southeastern CT Enterprise Region (seCTer) and the Southeastern CT Council of Governments (SCCOG) have identified the growth of small home-based business as an emerging economic development generator. Many Ledyard residents have and will continue to start home-based businesses. Zoning Regulations encourage unobtrusive home-based business with the goal of retaining skilled residents and their families. Information on assistance for small businesses should be made readily available. While the Town has recently seen a dramatic upgrade in the caliber of residential high-speed Internet service available, we must continue to advocate for expanded service and lower cost technology to compete with surrounding communities.

### **4. Support Appropriate Retail/Commercial Expansion**

Historically, Ledyard residents have made major purchases (automobiles, appliances, electronics, building materials, etc.) in surrounding towns. Other than purchases at small convenience stores, gasoline stations, and small restaurants, Ledyard residents primarily shop outside of Ledyard. (Two notable exceptions to the fact that most retail businesses in town are the Holdridge Farm Nursery and Ocean State Job Lot.) Retail development that does not alter the character of the town and which improves the quality of life for residents should be encouraged. The challenge will continue to be to encourage commercial and mixed-use development where appropriate, while protecting the quality of life, property values, and the environment of the existing residents. The quest to increase the commercial tax base should also include the encouragement of land uses that preserve open space. Studies have shown that towns with a lot of open space are appealing to businesses looking for quality “campus like” settings.

The current Gales Ferry Design District, a mixed-use district, should be expanded to suitable parcels along Route 12. This district allows for both residential and nonresidential (commercial/office) uses. The Gales Ferry Design District also contains provisions that would allow for existing uses to continue as they are but require that new construction meet standards that are in keeping with the existing Gales Ferry Village.

An important part of commercial expansion may be the building of office space. Modern office facilities would attract businesses that would have little impact on the environment and would

require little in the way of industrial infrastructure but would create jobs and increase the tax base. Companies involved in financial services, insurance, real estate, software development, and data processing are examples of “low impact” enterprises that should be encouraged.

An inventory of vacant or underutilized and “potential” development sites should be maintained and updated regularly. The database should be integrated into the town GIS system. The owners of these properties should be contacted and provided information that would be useful if they decided to investigate selling, leasing, or developing their property. The Town should also participate in site finder services provided at the regional and statewide level.

Ledyard has title to a significant amount of acreage. Each parcel of town-owned land should be examined, and a determination should be made as to whether it should be (a) retained for historic, open space or environmental reasons, (b) retained for future town use, or (c) zoned for development and subsequent sale.

As current commercial and industrial zoned land is developed, additional property, where appropriate, should be considered for rezoning, specifically adjacent to existing commercial and industrial zones along major thoroughfares. While it may be necessary to expand nonresidential zoned areas, there must continue to be an emphasis on efforts to limit sprawl and associated traffic congestion, protect residential areas from incompatible forms of development, and concentrate capital infrastructure in areas where there will be greatest return on tax dollar investment.

#### **5. Support Improved Relations with the Mashantucket Pequot Tribal Nation and Continue to Support Resort Commercial Development in Appropriate Locations**

The relationship between the Tribal Nation and Town of Ledyard has frequently been troubled. However, it is imperative that the Town continues to work with the Tribe on certain issues, especially economic development. The Tribal Nation is currently the largest employer, landholder and taxpayer in Ledyard. There is clearly much potential for a mutually beneficial relationship between these two entities and it is important to keep the lines of communication open and to work to find partnerships where possible.

Increased casino-generated traffic volumes on Route 117 passing through the Ledyard Center Design District also fosters commercial development opportunities, potentially benefiting casino patrons, employees, and local residents alike. However, virtually all casino-generated traffic using Routes 117 and 214 originates from within southeastern Connecticut. This point-of-origin factor will be a primary determinant of the nature of new business in Ledyard Center.